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FOREIGN SERVICE DESPATCH

FROM : AMEMBASSY, GUATEMALA — 994 DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON. — June 9, 1954 DATE

REF : Despatch 982, June 2, 1954.

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SUBJECT: RETIREMENT OF JOSE MANUEL FORTUNY FROM POSITION OF SECRETARY GENERAL OF THE COMMUNIST PARTY

The resignation on May 26 of José Manuel FORTUNY from the position of Secretary General of the Communist Partido Guatemalteco de Trabajo (PGT) has been the subject of much speculation but little information in non-Party circles. There are indications, however, that it had something to do with a policy decision made by the Party not to take a temporary step backwards in this crucial period. It has been rumored for several weeks that a number of Communists would resign from Government positions so as to afford the critics of the Government less concrete evidence of Communist penetration in the Guatemalan political structure. However, on June 4 the Communist newspaper Tribuna Popular came out with an editorial declaring that to take such a step backwards would "paralyze and defeat the Revolution so that it would go down in history as one more bourgeois Revolution which did not complete its mission". The editorial asserted that this plan was part of a maneuver by the American Embassy to isolate the Communists. Whatever the connection between this pronouncement and the resignation of Fortuny, it is assumed that there are underlying motives for the change in Party leadership going much beyond this immediate tactical question.

The newspaper La Hora on May 29 published a short article claiming that Fortuny's resignation as Secretary General of the Communist Party was due to his insistence on taking this step backwards, but that he was overruled by [illegible] high officials in the local organization. This implication was expanded considerably in an article which appeared in El Espectador on June 7 which pointed to what it proclaimed to be a profound split in the local Communist Party, the Partido Guatemalteco de Trabajo (PGT). This article mentioned the old rivalry between Victor Manuel GUTIERREZ, the Secretary General of the labor organization, the Confederación General de Trabajadores de Guatemala (CGTG),

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and the Communists close to Fortuny. The article maintained that since the CGTG represented a more real source of power than did the PGT, Gutierrez, Carlos Manuel PELLECER, and others of the CGTG had come to dominate the Party and had forced Fortuny out of office on this question of the step backwards. The article pointed out that this shift in Party command was made following a trip to Mexico in the latter part of May by the Communist official Alfredo GUERRA Borges, and claimed that there is a tendency towards Titoism in a certain segment of the local Communist Party but that this tendency is being held in check by the dominant orthodox Communist group.

Although El Espectador claimed that its article was based on information which had seeped through the Iron Curtain surrounding the internal activities of the PGT in Guatemala, it is apparent that the story is at least incomplete and probably involves considerable distortion. It will be recalled that there were for a long time three major Communist factions in Guatemala. There was the group headed by Fortuny, which were at one time known as the "Octubrists" because they published the Communist newspaper Octubre and which later took the name "Communist Party". This group was considered to be made up of advocates of greater and more open action by the Communists. The strength of this group was thought to lie in its greater support from the international Communist organization and from the very close personal relations between Fortuny and President Arbenz. The second group surrounded Gutierrez and was particularly active in the labor movement and organized the political party Partido Revolutionario Obrero de Guatemala (PROG). This group apparently believed that the Communists should devote their energies to building up a mass following, working particularly through the labor movement, and that they should avoid creating unnecessary problems for themselves by admitting Communist affiliation. The PROG was dissolved and Gutierrez entered the regular Communist Party in January 1952, on the heels of his return from his trip to Moscow. The third group, with which we are not here concerned, continued to work within the established leftist political parties.

Thus, the explanation given by the El Espectador is a little difficult to accept without further information since it switches the roles, making the group around Gutierrez the great activists among the Communists and the group around Fortuny the Fabians. It is also not clear why if Gutierrez' wing of the Communist Party, if such really exists, has obtained ascendancy over the Fortuny wing, the party named Bernardo ALVARADO Monzón to replace Fortuny, when Alvarado has always been close to Fortuny.

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Particularly is it difficult to believe that a major split in the Party occurred simply over the tactical question of taking a step backwards at this moment.

It has long been thought that Fortuny's greatest value to the Communists, and hence his source of strength in the Party, lay in his friendship with and personal influence over President Arbenz. Therefore, the question arises of why this connection is no longer sufficient to keep him in office. Is it believed that without position in the Party he will continue as influential with the President as heretofore, or that other Party officials can replace him in dealing with the Guatemalan President? These are important questions which the Embassy cannot at this time answer.

It seems fairly evident that Fortuny has in fact been losing his influence in the Party for some time. Over the past year, the Communists have not publicly emphasized Fortuny's role in Party leadership, and Fortuny has in fact made few public appearances on behalf of the Party and has received surprisingly little attention in the Communist newspaper Tribuna Popular.

Another omission in El Espectador's explanation is the role of Carlos Manuel Pellecer. He, as one of the Secretaries of Labor Disputes of the CGTG, has tended to eclipse Gutierrez in the leadership of that confederation, at least in the public view. Because of his dynamic personality, any real shift in Communist Party organization would necessarily have to take him into account, particularly since his personal ambition appears to be great.

Enclosed are translations and clippings of the Tribuna Popular editorial of June 4 and the article in El Espectador of June 7.

For the Ambassador:

Andrew B. Wardlaw
First Secretary of Embassy

Enclosures:
1. Translation of article from El Espectador.
2. Clippings.
3. Translation of editorial from Tribuna Popular.

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Encl. No. 1
Desp. No. 994
From Guatemala

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Translation of Article in El Espectador, June 7, 1954 Regarding Supposed Split in Communist Party

DEEP SPLIT PENETRATES COMMUNIST PARTY

Two Groups Capitalize on a Single Divergent Point: the Revision of the Line Followed by the Party and the Tactics to be Followed in the Future

The iron discipline of the party, whose infractions lead to the severest penalties, makes it difficult to know in full detail the incidents connected with a profound split which is occurring in the Communist Party which acts in Guatemala under the camouflage name of Guatemalan Labor Party and forms part of the high Politburo which now decides the direction of national policy.

A Chronic Question. The Communist Party of Guatemala does not appear to have escaped the chronic disease of all the Communist parties of the world, beginning with the central Communist Party which functions in the U.S.S.R. This disease is personal ambitions to dominate the party which is intensified in direct proportion to the political advantages and powers which the group attains in a given national situation. Here is the cause of the frequent purges, removals, expulsions, etc.

Beginning with the unification achieved in Guatemala upon the return of the leader, Victor Manuel GUTIERREZ, from his first trip to Moscow when he directed the fusing of his group, PRCG (Guatemalan Revolutionary Labor Party), with the Communist Party of FORTUNY, there appeared a seeming conformity and from that time the pre-eminent leadership of Fortuny was maintained.

Leadership More Nominal Than Real. The PGT maintained until the development of a few days ago the tradition of the immovability of the Secretary General. However, for the last year, more or less, Fortuny appeared displaced to second rank. This was at least so in appearance. He was not in any visible activity. For the outside observer, the position of Fortuny was reduced to reporting in plenary sessions of the Party and giving directions inspired by the other "important ones".

Over this period others were outstanding in activism. Almost as a counterweight to the Communist Party "there still lives" the old PRCG of Gutierrez, issuing commands from the labor federation CGTG, whose semi-official character and whose power of its greater opportunities and advantages was irresistible. Gutierrez, Pellecer, Ramos, Montenegro Paniagua, and many others, activate the life of the Party and manage the masses of workers and peasants for their advantage.

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A Small Ray of Light. Suddenly, and after a long absence from activity, José Manuel Fortuny "decided voluntarily" to separate himself "provisionally" from the post of Secretary General of the Party. This occurred suddenly, no one expected it in the Party except those in high position. The pretext is that Fortuny is suffering from sinus trouble, but in view of the minor character of this ailment, curable without interfering with anyone's activities, and given this hour's great political gravity for the nation, there is ground for suspicion that the no longer "beloved" Secretary General Fortuny ceded his position to Bernardo ALVARADO MONZON, who up to now appeared as his strong supporter.

The Communists themselves, desirous of the complete elimination of Fortuny, assure that his support or lever was his personal friendship with President Arbenz, but he did not in the last analysis make the important decisions.

Strange Trip to Mexico. It is well known that coincident with these occurrences, one of the members of the controlling group of the Party, whose make-up is a mystery (the suspicion being that it includes foreign leaders), made a trip to Mexico. This traveler was Alfredo GUERRA BORGES, who returned Saturday by plane after remaining in Mexico about five days.

The PGT has called its executive members to an urgent session which, according to our information, will have as its purpose "analyzing the political emergency of the country", whose causes lie -- according to the irrevocable concept of national and foreign opinion -- in the activities of international Communism in the country.

In this connection, despite the Iron Curtain behind which Communist leaders work, there has filtered out sufficient material to show that there are profound differences about the line which should be followed in dealing with the Government, since while some understand the immense danger which the Communist Party is causing the Government of the Revolution and the country and, for this reason, agree to an immediate revision of the line through a tactic of withdrawal, others take the position expressed by the writers of the Party newspaper Tribuna Popular that the present positions must be maintained without any yielding, regardless of the sacrifice of the Government and the Republic.

The CGTG and CNCG. The session of the Communist Party, in which they decided upon the quarantine of activities, was held in the buildings and offices of the labor federation (the Government building at 11 Avenue and 9 Street). From here came the news of the subterranean movements which the group was causing and which are seen as decisive for the political

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future of the country. As for the central labor and peasant organizations, which are clearly trenches used by the Party for its most aggressive actions, it is said that their course will be decided in special meetings which the directors of these organizations must hold according to a resolution of the Communist executives.

A Step towards Titoism. It is suggested that there is manifesting itself in the Communist Party a certain tendency to propose a shift towards nationalist Communism in the style of Titoism in Yugoslavia. However, the tendency should encounter tremendous resistance, since Marxist-Leninist-Stalinism, which is internationalist, is the most profound conviction of the highest Guatemalan leaders and the unbreakable line of their foreign advisers (especially Spanish). The nationalist formula would be accepted as a strategic formula, a smokescreen for passing through the crisis which the Communists firmly believe is momentary.

Translated by: A. B. Wardlaw

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From Guatemala

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Translation of Editorial in Tribuna Popular of June 4, 1954

Political Notes

THE THESIS OF THE STEP BACKWARDS

The so-called "independent" and "apolitical" press, which is to say the press of the United Fruit Company and the feudal landowners, seeks to throw the blame on the Communists for all the difficulties which Guatemala faces today. "If the Communists would decide to take one step backwards", says this press, "if the Communists would abandon the positions which they hold in the Government, all would be arranged".

Stated thus, everything is very simple. A step backwards by the Communists and their abandonment of several public positions, and the traitors CASTILLO ARMAS and IDIGORAS FUENTES would lay down the arms with which they menace the country. A step backwards by the Communists and their abandonment of several public positions, and the United Fruit Company would observe the Guatemalan laws, the Department of State of the United States would withdraw the claim of $16,000,000, abandon its interventionist plans and take back the arms which it sent precipitately to Nicaragua and Honduras for aggression against Guatemala. A step backwards by the Communists and their abandonment of several public positions, and the feudal landowners would gladly free the campesinos of their feudal burdens and without resistance deliver them land. A step backwards by the Communists and the abandonment of several public positions, and the arms purchased by the Government for the National Army will cease to be a "terrible menace" for the Panama Canal and will even be blessed by Cardinal Spellman.

Thus, they will mislead the ingenuous and defeat the people. Thus, men will be debased. We are facing a new clumsy maneuver of imperialism directed by Ambassador Peurifoy. The reactionary press has received the watchword and now bears down upon it.

The reactionary press believes that with such tricks it can blot out the sun with a finger and make black seem white. It is searching among the democratic ranks for miserable traitors such as GONZALEZ VIDELA. It desperately needs support in the revolutionary fields for its thesis of the "step backwards", a thesis designed to open the doors to defections, to treason and to defeat on all fronts.

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The Communists cannot be responsible for the present difficulties which Guatemala faces, especially for the Guatemalan Revolution. We have already said that the anti-Communist campaign dates from the time of tyranny. Under the dirty banner of anti-Communism, Jorge UBICO deprived the people of all their democratic rights, imprisoned, tortured and murdered his opponents, and all who demanded liberties and their rights. The Revolution of October 1944, which occurred long before the birth of the Communist Party, was attached from the first as a "Communist Revolution". For the feudal-imperialist reactionaries, all measures for the economic progress of Guatemala, every social reform, is "Communism".

The truth is that what the imperialists are seeking is not a simple step backwards by the Communists, but rather to paralyze the Revolution and to defeat it so that it shall go go down in history as one more bourgeois revolution which did not complete its mission. It is true that now they speak only of "a simple" step backwards which the Communists ought to take, but we are living in an hour of the Revolution in which a step backwards of this type is a dangerous concession to the enemy.

The maneuver is clear, the strategy of the Yankee Embassy is designed to destroy the strategy of the Revolution. In place of attacking frontally the united democratic forces, the Embassy concentrates its artillery on a single point, on the Guatemalan Labor Party. It is also so designed that the other democratic parties, who, if the maneuver is successful today, will be hobbled and defeated tomorrow, will not be frightened and will lend themselves to this game.

But this will not be possible. The united democratic forces will turn back the maneuver of the Fruit Company.

Translation: A. B. Wardlaw